

Date of Hearing: April 13, 2026

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Isaac G. Bryan, Chair

AB 2312 (Ávila Farías) – As Amended April 6, 2026

SUBJECT: State property: tidelands transfer: City of Martinez: leases

SUMMARY: Extends the lease on the public trusted lands for the City of Martinez (City) from 49 years to 66 years.

EXISTING LAW:

- 1) Protects, pursuant to the common law doctrine of the public trust (Public Trust Doctrine), the public's right to use California's waterways for commerce, navigation, fishing, boating, natural habitat protection, and other water-oriented activities. (National Audubon Society v. Superior Court (1983) 33 Cal.3d 419)
- 2) Establishes the State Lands Commission (SLC) as the steward and manager of the state's public trust lands. (Public Resources Code 6009)
- 3) Establishes the City as a trustee of sovereign tide and submerged lands granted by the Legislature all right, title, and interest of the state to four specified parcels of land in the Straits of Carquinez, to be held in trust for specified uses. (Chapter 815 of the Statutes of 1976 and Chapter 628, Statutes of 2014)
- 4) Recasts the three granted lands and adds a fourth parcel to the City pursuant to SB 1424 (Wolk), Chapter 628, Statutes of 2014.
- 5) Authorizes SLC, in recognition of deteriorated conditions at the Martinez Marina (Marina), until June 30, 2029, to relieve the trustee of its obligation to transmit gross revenues so the trustee can take action to address those conditions, including the dredging of sediment to restore adequate depth for launching, berthing, and safe navigation at the marina. (Chapter 628, Statutes of 2014 (d)(2))

THIS BILL:

- 1) States the intent of the Legislature that SLC, the City, and the parties to the City's exclusive negotiating agreement for the Marina and Waterfront Revitalization maintain dialogue and continue to work together to determine the appropriate lease term to spur the revitalization of some or all of the City's public trust lands to address the unique circumstances the Marina is facing while maintaining the public trust.
- 2) Extends the City's authorization to lease the trust lands, or any part of the trust lands, for limited periods, from 49 years to 66 years or, subject to SLC approval, for a term longer than 66 years if SLC finds that a longer lease term is in the best interests of the state, for purposes consistent with the trust upon which those lands are held, as specified.

FISCAL EFFECT: Unknown

COMMENTS:**1) Author's statement:**

The Martinez Marina has far exceeded its useful life and currently faces dire and deteriorating conditions that are a drain on the city's limited budget and demand significant intervention. Revitalizing the Waterfront and Marina has been a top City and community priority for decades, and the City has now entered into an exclusive negotiating agreement with a private developer to realize a one-in-a-lifetime opportunity to rebuild and improve the infrastructure of the Marina and create a vibrant, accessible, sustainable, and community-serving Waterfront. This project will be funded with solely private capital. Unfortunately, current law's 49-year maximum lease term with SLC cannot support the needed private lending and investment. In lieu of seeking scarce public funding, AB 2312 simply allows for a longer lease term that will attract the required capital.

- 2) Public Trust.** The foundational principle of the common law Public Trust Doctrine is that it is an affirmative duty of the state to protect the people's common heritage in navigable waters for their common use. The traditional uses allowed under the Public Trust Doctrine were described as water-related commerce, navigation, and fisheries. As a common law doctrine, the courts have significantly shaped the Public Trust Doctrine in a number of important ways. Courts have found that the public uses to which sovereign lands are subject are sufficiently flexible to encompass changing public needs. The courts have also found that preservation of these lands in their natural state, so that they may serve as ecological units for scientific study, as open space, and as environments that provide food and habitat for birds and marine life, are appropriate uses under the common law Public Trust Doctrine. Courts have also made clear that sovereign lands subject to the Public Trust Doctrine cannot be sold into private ownership.

For more than 100 years, the Legislature has granted public trust lands to local governments so the lands can be managed locally for the benefit of the people of California. While these trust lands are managed locally, SLC has oversight authority to ensure those local trustees are complying with the Public Trust Doctrine and the applicable granting statutes.

- 3) City trusted lands.** The City was initially granted certain sovereign lands in trust in 1851. The grant to the City was repealed and re-granted in 1976 and 2014. Chapter 628, Statutes of 2014 repealed the City's prior grants and provided the City with a new grant of sovereign tide and submerged lands that updated the grant statute and added an additional parcel that encompasses the Marina.

The City must use the land for purposes consistent with the Public Trust Doctrine and, beginning in 2020, in conformance with a trust lands use plan approved by SLC.

SB 1424 established a revenue-sharing agreement between the City and the state. This revenue sharing requires the City to transmit 20% of the annual revenue generated from its granted lands to SLC, of which 80% is deposited into the state's General Fund and 20% into the Kapioloff Land Bank. Recognizing the deteriorating conditions at the Marina, Chapter 628 allowed SLC to relieve the City of its revenue-sharing obligation until June 30, 2021. This

relief was intended to enable the City to address critical issues at the Marina, including dredging to restore adequate depth for vessel launching, berthing, and safe navigation.

AB 1686 (Grayson), Chapter 143, Statutes of 2023, subsequently extended SLC's authority to annually relieve the City from its revenue sharing requirement for another five years—from January 1, 2024, until June 30, 2029. This extension supports the City's efforts to restore the deteriorated Marina's condition through continued dredging and maintenance activities.

- 4) **Martinez Marina.** The City waterfront encompasses almost 80 acres of trust lands along the northern shoreline that are zoned for open space and recreational use. Included is the Marina, which has a range of facilities, including a harbormaster building, boat slips, a four-lane public launch ramp, a fishing pier, a guest dock, wastewater pump-out facilities, and a bait shop.

Constructed in the 1960s, the facility has far exceeded its useful life. Studies on the Marina's marine structures and sedimentation confirm that it is in extremely poor condition, highlighting the urgent need for action to preserve access and functionality. Revitalizing the waterfront and Marina has been a top community priority for decades. With aging infrastructure, deteriorating facilities, limited resources, and a marina well beyond its useful life, the City has faced growing operational and financial pressures that necessitate a broader reimagining through a private-public partnership.

In June 2024, the City's long-standing marina management partner, Almar Management, submitted a 60-day notice to terminate its contract after almost 20 years. Almar Management stated that the Marina has deteriorated beyond the point of viable maintenance or repair, making continued operation infeasible. The City, in partnership with F3 Marina, continues to address only key safety issues and minimally maintains the boat, pedestrian, and vehicular access in and around the Marina, but rising costs, infrastructure challenges, and storm damage have strained the City's limited financial resources.

At the December 17th regular City Council meeting, the Martinez City Council unanimously approved an exclusive negotiating agreement (ENA) with Tucker Sadler Architects, a private developer, to revitalize the Martinez Waterfront and Marina. The agreement sets in motion a new phase of study and collaborative planning that will evaluate the project's feasibility, refine design concepts, and lay the groundwork for decisions on the future of the Waterfront and Marina.

The project envisions new recreation amenities such as sport fields, a dog park, kite area, and public art installations, along with expanded open spaces featuring plazas, pedestrian pathways, marshland restoration, and stronger connections to downtown. Hospitality and community facilities, including hotels, restaurants, a community/event center, a new Martinez Yacht Club and Sea Scouts' facility, and an outdoor amphitheater, are also included. These project elements would complement new commercial and retail spaces and support boating, fishing, recreation, and other waterfront activities, and would be supported by upgraded infrastructure, including surface and underground parking, utilities, and lighting.

- 5) **Time is [not] on my side.** AB 2312 authorizes the City to lease the trust lands up to 66 years and, subject to SLC approval, for a longer term than 66 years if SLC finds that a longer lease term is in the best interests of the state.

The author states that this project will be funded solely with private capital. Unfortunately, current law's 49-year maximum lease term cannot support the scale of investment required for this project to attract the needed lending and investment.

- 6) **Double referral.** This bill is also referred to the Assembly Local Government Committee.
- 7) **Related legislation.** AB 1686 (Grayson), Chapter 143, Statutes of 2023, Extends the sunset date, until June 30, 2039, of the authorization for SLC to relieve the City of its obligation to transmit gross revenues from the City to the state.

REGISTERED SUPPORT / OPPOSITION:

Support

Martinez; City of
Tucker Sadler Architects, INC.

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /